

HEALTH INDEX FROM LNF PART II TECHNICAL REPORT									
					Selection				
					B				
						Weight			
						100%			
Area Name	Individual Model	Community Model	Greater of A or B	Average of A & B	Raw Index	Budget Neutral Index	Area Name	Health Index	Net Adjustment Per User
Aberdeen	1.05	1.08	1.08	1.07	1.08	1.08	Aberdeen	0.08	\$ 238
Alaska	1.00	0.99	1.00	1.00	0.99	0.99	Alaska	-0.01	\$ (30)
Albuquerque	0.99	0.98	0.99	0.99	0.98	0.98	Albuquerque	-0.02	\$ (60)
Bemidji	1.05	1.06	1.06	1.06	1.06	1.06	Bemidji	0.06	\$ 179
Billings	1.03	1.04	1.04	1.04	1.04	1.04	Billings	0.04	\$ 119
California	0.96	0.92	0.96	0.94	0.92	0.92	California	-0.08	\$ (238)
Nashville	0.99	0.96	0.99	0.98	0.96	0.96	Nashville	-0.04	\$ (119)
Navajo	1.00	1.02	1.02	1.01	1.02	1.02	Navajo	0.02	\$ 60
Oklahoma	0.99	0.97	0.99	0.98	0.97	0.97	Oklahoma	-0.03	\$ (89)
Phoenix	1.00	1.01	1.01	1.01	1.01	1.01	Phoenix	0.01	\$ 30
Portland	0.99	0.97	0.99	0.98	0.97	0.97	Portland	-0.03	\$ (89)
Tucson	1.03	1.05	1.05	1.04	1.05	1.05	Tucson	0.05	\$ 149
Total	1.01	1.00	1.02	1.01	1.00	1.00	Total	0.00	\$ 2,980

In Part 1 of the LNF study, actuarial cost adjustments were applied for 55 disease categories to adjust expected costs for the poorer health status of the Indian population. Sufficient data were not available for IHS areas or operating units to allow use of the same approach. The actuary developed an index using proxy measures of health status which include AI/AN mortality rates, birth rates, and poverty rates. The health index is designed to reflect differences among Areas. The health gap with other Americans is already reflected in the benchmark cost rate of \$2,980. The health index is limited to Area level data. No OU specific data are available at this time. The Area health index is applied to each OU. The maximum add-on is 8% and the maximum subtraction is -4%.